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NATPE 80: Kickoff for the decade's changing media marketplace

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The Week in Brief

TOP OF THE WEEK

NATPE IN SAN FRANCISCO ☐ It was a week of superlatives with record numbers of delegates and exhibitors. It also was a time when the weathervane indicated changes in the offing for the organization and the programing marketplace. Complete coverage begins on **PAGE 31.**

THINGS TO COME ☐ One NATPE panel agrees that the existing media structure will not only survive but will prosper in the decade ahead. They feel programing will be the key to the success of the emerging technologies. **PAGE 32.**

LIFE AFTER SATCOM III ☐ To accommodate its customers who had counted on the now-lost satellite, RCA leases transponders for cable service on AT&T's Comstar D-2. **PAGE 34.**

STAGGERS HEADS FOR THE HILLS ☐ His decision not to seek re-election in fall means that chairmanship of the House Commerce committee could pass to Dingell or Van Deerlin. **PAGE 35.**

PROGRAMING

TALK OF THE TOWN ☐ Talk shows and the competition among returning vets and rookie hopefuls dominate the NATPE marketplace. Operation Prime Time goes beyond specials to series. *Family Feud* stripping and the proliferation of *P.M. Magazine* put pressure on prime-access competitors. **PAGE 38.**

NEW TRENDS ☐ One panel in San Francisco turns thumbs down on the quality of syndicated offerings for prime access. **PAGE 42.**

RISING PRICES ☐ Broadcasters at NATPE complain that escalating program costs are forcing them to re-evaluate their methods and ratings goals. **PAGE 48.**

NETWORK ROADS AHEAD ☐ ABC affiliates, meeting during the programing conference, are given the network's battle plans and a look at its fall projects. **PAGE 48.** CBS affiliates, pleased at the network's ratings ascendancy, hear Daly discuss seven new series in the works. **PAGE 48.** NBC affiliates are assured a Carson signing is near, briefed on eight new comedy programs and filled in on daytime strategy. **PAGE 52.**

SEX ☐ Panelists in San Francisco conclude that TV is middle of the road in its handling of the subject. **PAGE 59.**

BUSINESS

SQUARING OFF ☐ TVB's comparative ad campaign characterizes radio as an invisible medium. RAB fires back that radio should be the prime medium of advertisers concerned about TV costs. **PAGE 69.**

IT WAS A GOOD YEAR ☐ ABC reports profits were up 17.5% on revenues that increased 15.1% in 1979. Network and TV stations post records, but radio's earnings drop. **PAGE 70.**

MEDIA

MOMENTUM FOR DALLAS ☐ Although the NCTA's convention is nearly three months away, exhibit space is already sold out and the agenda is brimming with people and topics to reflect cable's broader worlds. **PAGE 73.**

LAW & REGULATION

LEGAL AID ☐ NATPE delegates get tips on such matters as EEO, political spots and libel. **PAGE 78.**

DISAGREE ☐ At a San Francisco press conference, the FCC's Washburn predicts the RKO General TV revocations will be overturned. Van Deerlin doesn't see it that way. **PAGE 78.**

TECHNOLOGY

AMPEX TO SIGNAL CO.'S ☐ The major broadcast equipment maker agrees to a $415-million stock deal that will put it under the Los Angeles holding company. **PAGE 81.**

PROFILE

THE WRIGHT WAY ☐ Back in the 1940's, U.S. District Court Judge James Skelly Wright became known for his idealism and sensitivity to the moral imperatives of cases that he handled. And in the 40 years en route to becoming chief judge of the U.S. Court of Appeals in Washington, he has not departed from those principles. **PAGE 105.**

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"sophomoric, distorting and uncalled-for."

"Radio must have them worried," he said, "if they have to resort to this kind of presentation to compete."

The RAB report, "Radio as a Primary Medium: A Radio/TV Comparison," was released last fall. "There is a wealth of new data being generated on radio and TV," the report asserts. "It is demonstrating that radio is outperforming TV in many significant areas. These findings are influencing more and more advertisers to consider radio as a primary medium.

"Every day, for example, radio leads all media in people reached ... Many key marketing targets—like working women, professional and managerial males, adults 18-49—spend more time every day with radio than TV.

"This new research goes beyond boxcar mass-appeal documentation. It shows radio as an exceptional vehicle for reaching a cross-section of consumer groups with more efficiency than TV."

Using information drawn from a variety of sources, the report summarizes its findings as follows:

"1. Radio is now number one in reach ... reaching more adults and teens in a day and a week than TV.

"2. Radio share of mind [percentage of total time spent with media] is higher than TV for a number of key consumer targets, like adults 18-49, upscale working women, professional/managerial males, students.

"3. Radio audience is higher than TV through the day, a reflection of radio's ability to function within virtually every consumer lifestyle.

"4. Radio is now ahead of TV in delivering prime consumers.

"5. Radio reaches TV's light viewers—and is also an essential reinforcement of TV messages among heavy viewers.

"6. Radio audience is reached at lower costs than TV, a comparison that comes from research by a number of leading U.S. advertising agencies.

"7. Dollar for dollar, radio delivers greater 'people' reach and frequency than TV—for the same budget radio delivers added reach, more effective reach, greater frequency and increased ad impressions.

"8. Radio listening is consistent in all four seasons, while TV has peaks and valleys, a reflection of the differing functions performed by the two media.

"9. Radio commercial recall is generally equivalent in impact to TV.

GT&R/RKO directors hit with lawsuit

Class-action proceeding initiated by stockholder claims loss of more than $50 million because of illegal company activities

A further repercussion of the FCC's decision against RKO General and its parent General Tire & Rubber came with the filing in U.S. Court for the Southern District of New York of a $50-million class-action suit on behalf of shareholders of General Tire ("In Brief," Feb. 18).

Filed by Arthur L. Monheit and his mother, Dorothy, as administrators of the estate of her husband, Charles Monheit, the suit names as defendants the three O'Neil brothers—Thomas, John and Michael G.—who are, respectively, the chairman of both General Tire and RKO General, the chairman of General Tire's finance committee and the president and chief executive of General Tire. T.E. Pittenger, vice president of General Tire, was also named a defendant, as were four outside directors of the company: William B. Walsh, L.D. Henry, D. Bruce Mansfield, and James T. Morely.

According to the Monheits' suit, "The acts and conduct herein alleged on the part of the individual defendants constitute flagrant violations and breaches of their fiduciary duties all to the substantial damage of General Tire and RKO General in an exact amount not presently known, but estimated to be in excess of $50 million."

The suit details actions of General Tire that led to the FCC's decision to pull the licenses of RKO General's WNAC-TV Boston, WOR-TV New York and KHJ-TV Los Angeles (BROADCASTING, Jan. 28). GT says that the four outside directors were or should have been aware of such actions in 1977 and 1978 and failed to act to protect the interests of the shareholders.

The suit asks for the "sterilizing" of the stock of the O'Neils and Pittenger so that they could not benefit from any "spin-off" of RKO General to the shareholders of General Tire; restoration to the companies of any compensation or fringe benefits paid to those four defendents that are "found to be excessive or unreasonable," and recovery of all damages as a result of the acts alleged against the defendants.

No hearing is expected for at least 60 days in the case, which has been assigned to Judge Henry F. Werker.

ABC registers increases in '79

Both revenues and profits rose last year, with network and TV stations posting records; but radio's earnings dropped

ABC's 1979 net earnings were up 17.5% over the year earlier, climbing to $159,310,000 from $135,575,000. The rise came on a revenue gain from continuing operations of 15.1%, from $1,783,-985,000 to $2,053,570,000. On a per share basis, earnings were $5.67, compared with $4.89 in 1978.

The company said the results were "primarily attributable to the outstanding performance of our television operations," as well as the reduction in losses from recorded music operations that ABC discontinued.

TV network and station operations were both said to have had record revenues and profits, although "ABC Radio reported increased revenues, but a profit decline."

In the fourth quarter, the company experienced a 1.2% decline in net earnings, dropping to $44,946,000 from $45,506,-000. Per share consequently slid from $1.63 to $1.59. However, ABC reported

Week's worth of earnings reports from stocks on Broadcasting's index

		Current and change					Year earlier		
Company	Period Ended	Revenues	% Change	Net Income	% Change	Per Share	Revenues	Net Income	Per Share
Ampex	9 mo. 1/26/80	$334,879,000	+22.8	$27,995,000	+49.2	2.45	$272,675,000	$18,766,000	1.85
BBDO International	year 12/31/79	141,800,000	+17.6	11,461,000	+1.6	4.56	120,600,000	11,283,000	4.49
CBS Inc.	year 12/31/79	3,729,701,000	+13.4	200,707,000	+ 1.3	7.21	3,290,052,000	198,079,000	7.15
Compact Video Systems	9 mo. 1/31/80	22,901,000	+195.8	1,571,000	+38.4	.83	7,741,000	1,135,000	.92
Eastman Kodak	year 12/30/79	8,028,231,000	+14.5	1,000,764,000	+10.9	6.20	7,012,923,000	902,284,000	5.59
Grey Advertising	year 12/31/79	86,709,000	+16.3	6,433,000	+18.3	10.34	78,303,000	5,438,000	8.73
Interpublic	year 12/31/79	373,718,000	+20.5	21,589,000	+19.6	4.89	310,259,000	18,046,000	4.11
Times Mirror	year 12/31/79	1,847,476,000	+15.4	146,493,000	+ 2.9	4.31	1,427,931,000	142,399,000	4.13
Viacom International	year 12/29/79	107,389,000	+32.5	*9,848,000	+36.1	2.48	81,043,000	7,132,000	1.88
Warner Communications	year 12/31/79	1,846,027,000	+32.8	**109,058,000	+32.7	5.26	1,243,134,000	82,197,000	4.15
Wometco Enterprises	year 12/29/79	307,248,000	+10.8	19,130,000	+ 1.9	2.20	277,359,000	18,781,000	2.22

*Does not include extraordinary gain of $2,050,000 from agreement in which Viacom and Teleprompter became 50% owners of Showtime Entertainment Inc.

**Does not include net gain of $91,689,000 from Dec. 27, 1979, sale of 50% of WCI cable operations to American Express.

Summary of Broadcasting

FCC tabulations as of Jan. 31, 1980

	Licensed	On air STA*	CP's on air	Total on air	CP's not on air	Total authorized**
Commercial AM	4,527	3	28	4,558	93	4,651
Commercial FM	3,110	2	43	3,155	181	3,336
Educational FM	1,010	0	25	1,035	92	1,127
Total Radio	8,647	5	96	8,748	366	9,114
Commercial TV						
VHF	514	1	2	517	9	526
UHF	222	0	7	229	62	291
Educational TV						
VHF	99	1	5	105	5	110
UHF	155	2	5	162	5	167
Total TV	990	4	19	1,013	81	1,094
FM Translators	291	0	0	291	152	443
TV Translators						
UHF	1,247	0	0	1,247	359	1,606
VHF	2,494	0	0	2,494	173	2,667

*Special temporary authorization

**Includes off-air licenses